

**Office of the Assistant Inspector General for  
Auditing**

**Department of Defense**

**Audit and Evaluation Plan  
FY 2000**

**As of June 26, 2000**



**\* indicates audits that were carried over from FY 1999**

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## FINANCE AND ACCOUNTING

**Financial Statement Audits for FY 2000 (Multiple).** These audits will determine whether the FY 2000 financial statements for the Department of Defense are presented fairly in accordance with generally accepted accounting principles described in the Office of Management and Budget (OMB) Bulletin No. 97-01, "Form and Content of Agency Financial Statements," October 16, 1996, as amended November 29, 1998. As part of this objective, will review the reporting of performance measures in the Overview section of the DoD Agency-wide Financial Statements and in the preparation of the Statements of Net Costs by both the Department and its Components. We will assess internal controls, compliance with laws and regulations, and reporting of program and financial performance as described in the Bulletin. We also plan to follow up on corrective actions resulting from previous financial statement audits. (R. Bird/(703) 604-9175)

<u>Number</u>	<u>Title</u>	<u>Point of Contact</u>	<u>Announced</u>
*9FJ-9003	Audit of FY 1998 DoD Superfund Financial Transactions	J. Kornides (614) 751-1400 Report 99-257	9/25/98  9/22/99
*9FA-2001.01	DIA Unliquidated Obligations (ULOS)	C. Richardson (703) 604-9582	1/29/99
*9FA-2016	Audit of the Outpatient Data Supporting FY 1999 Military Retirement Health Benefits Liability	C. Richardson (703) 604-9582	5/19/99
*9FA-2017	Audit of General Property, Plant, and Equipment Databases Supporting Other Defense Organizations	C. Richardson (703) 604-9582	6/8/99
*9FA-2017.02	Audit of General Property, Plant, and Equipment Databases Supporting Other Defense Organizations	C. Richardson (703) 604-9582	11/16/99
*9FA-2017.01	Audit of General Property, Plant, and Equipment at NSA	C. Richardson (703) 604-9582	7/26/99
*9FA-2018	Audit of Information Supporting the FY 1999 Financial Statements for Other Defense Organizations	C. Richardson (703) 604-9582	6/7/99
*9FA-2018.01	Audit of Information Supporting the FY 1999	C. Richardson	7/26/99

	Financial Statements for NSA	(703) 604-9582	
*9FA-2018.02	Audit of Information Supporting the FY 1999 Financial Statements for Health Affairs	C. Richardson (703) 604-9582	9/24/99
*9FA-2018.03	Audit of Information Supporting the FY 1999 Financial Statements for WHS	C. Richardson (703) 604-9582	10/7/99
*9FD-2025	Audit of DoD Fund Balance with Treasury	B. Flynn (703) 604-9586	9/9/99
*9FD-2029	Audit of DoD Accounts Payable	B. Flynn (703) 604-9586	9/1/99
*9FD-2030	Audit of DoD Agency-Wide Budgetary Resources	B. Flynn (703) 604-9586	9/8/99
*9FH-2014	Audit of the DoD Payroll Withholding Data	D. Vincent (703) 604-9110	4/15/99
*9FH-2014.01	Audit of the DoD Payroll Withholding Data	D. Vincent (703) 604-9110	11/17/99
*9FH-2031	Audit of the Data Supporting the DoD Environmental Liability Line Item on the FY 1999 Financial Statements	D. Vincent (703) 604-9110	8/12/99
*9FH-2032	Audit of Existence and Completeness of Gov't Owned and Contractor Real Property on FY 1999 Financial Statements	D. Vincent (703) 604-9110	11/8/99
*9FH-2034	Inspector General, DoD, Oversight of the Contractor Efforts on the Valuation of DoD Real Property Assets Accuracy Test Phase	D. Vincent (703) 604-9110	9/23/99
0FA-2108.01	FY99 Compilation for Other Defense Organizations	C. Richardson (703) 604-9582	1/12/2000
*9FH-3001.01	Audit of the Defense Commissary Agency Personal Property Database and Construction in Progress Acct.	D. Vincent (703) 604-9110	1/11/99
*9FH-3005	Inspector General, DoD, Oversight of the Contractor Efforts on the Valuation of DoD Real Property Assets	D. Vincent (703) 604-9110	8/27/99 1/11/99
*9FH-3006	Inspector General, DoD, Oversight of the Contractor	D. Vincent (703) 604-9110	4/15/99

*9FH-6003	Efforts on the Valuation of DoD Personal Property Assets Inspector General, DoD, Oversight of the Audit of the Military Retirement Trust Fund Financial Statements for FY 1999	D. Vincent (703) 604-9110	6/9/99
0AD-2121	Oversight of AF Audit Agency Audit of Financial Data for a Special Access Program	R. West (703) 604-8983	11/19/99

**Audit of Information Technology Funding in the Department of Defense (Project No. \*9AL-5015).** At the request of the Subcommittee on Defense, Committee on Appropriations, U.S. House of Representatives, we will determine whether the FY 2000 budget submission for information technology investments complies with the recommendation to correct funding inconsistencies directed by Appropriations Committee Report 105-591, which accompanied the DoD Appropriations Act, 1999 (H.R. 4103). This project was announced on April 30, 1999; the final report 00-063 was issued December 17, 1999. (C. Santoni/(703) 604-9051)

**Audit of the Recovery of Commissary and Nonappropriated Fund Real Property Investments at Defense Base Realignment and Closure Installations (Project No. \*9CK-5017).** At the request of the Assistant Secretary of Defense (Force Management Policy), we will determine DoD's compliance with Section 2906(d) of Public Law 101-510, "Disposal or Transfer of Commissary Stores and Property Purchased with Nonappropriated Funds." This project was announced on May 26, 1999. (J. Doyle/ (703) 604-9348)

**Audit of the U.S. Atlantic Command Comptroller Division (Project No. \*9FH-5025).** At the request of the U.S. Atlantic Command (USACOM), we will evaluate the efficiency of specific USACOM Comptroller Division operations in light of its recent reorganization. We will evaluate the process for liquidating travel claims, civilian attendance records, overtime, and compensation time, as well as review the implementation of management controls applicable to those areas. This project was announced on August 12, 1999. (D. Vincent/(703) 604-9110)

**Audit of Automated Transportation Payments (Project No. \*9FI-2022).** We will assess whether controls in Department of Defense transportation payment systems are sufficient to prevent improper payments, specifically reviewing whether the payments and reconciliation tools in use are effective for accounting and reporting of transportation payments. This project was announced on July 19, 1999. (R. Bird/ (703) 604-9175)

**Audit of Controls Over the Integrated Accounts Payable System (Project No. \*9FI-5019).** At the request of a member of the U.S. Senate, we will evaluate the controls associated with the Integrated Accounts Payable System and its computation of

vendor payments. This project was announced on July 9, 1999. (R. Bird/(703) 604-9175)

**Audit of Recording Obligations in Official Accounting Records (Project No. \*9FI-5042).** At the request of the Congress, we will determine whether DoD policies for recording obligations in official accounting records are consistent with title 31, United States Code, and evaluate the actions taken to match disbursements charged to certain expired and cancelled Navy appropriations to obligations. This project was announced on February 24, 1999; the final report 00-030 was issued November 4, 1999. (R. Bird/(703) 604-9175)

**Audit of the Administration and Management of the Civil Air Patrol (Project No. \*9LA-5020).** At the request of Congress, we will evaluate the administration and management of the Civil Air Patrol program, specifically reviewing the financial and management operations of the Civil Air Patrol. This project was announced on July 12, 1999. Project 9LA-5020.01 was announced in February 2000. (H. Geyer/(703) 604-9593)

**Audit of the Cash Impact of the Consumable Item Transfer During FY 1999 (Project No. \*9LD-5044).** At the request of the Deputy Comptroller (Program and Budget), we will review the cash impact of the Consumable Item Transfer during FY 1999 on the supply management business areas of the Army, Navy, and Air Force, and Defense Logistics Agency Working Capital funds. We will specifically determine the impacts on cash balances, causes of those impacts, the appropriate method for calculating the cash impact, and the estimated amount of the cash impact for FY 1999. This project was announced on April 8, 1999; the final report 00-054 was issued December 14, 1999. (T. Schraden/(703) 604-9186)

**General and Application/Security Controls for Automated Financial Systems (OFG-P001).** We will assess the adequacy of general and application control/security policies and implementation for selected automated financial information systems. Our focus will be on evaluating the adequacy of system security, access, continuity, and software development and changes, as well as testing applications controls. (K. Caprio/(703) 604-9139)

**DoD Funds Expended on the National Drug Control Strategy (OLH-P003).** The primary objective of this audit is to provide reasonable assurance that the DoD annual report to the Office of National Drug Control Policy presents fairly and accurately the DoD funds expended on the National Drug Control Program initiatives. (R. Murrell/(703) 604-9210)

**Audit of the Demographic Data Supporting the FY 1999 DoD Military Retirement Health Benefits Liability Estimate (0FA-2107).** This audit supports our annual audits of the DoD Military Retirement Health Benefits Liability as well as the DoD-wide financial statements required by the CFO Act of 1990, as amended by the Federal



Financial Management Act of 1994. We will assess the reliability and completeness of the demographic data used to calculate the DoD Military Retirement Health Benefits Liability for 1999. (C. J. Richardson/(703) 604-9582)

**Audit of the Compilation of Financial Data for Other Defense Organizations Into the FY 1999 DoD Agency-Wide Financial Statements (0FA-2108).** This audit supports our annual audits of the DoD Military Retirement Health Benefits Liability as well as the DoD-wide financial statements required by the CFO Act of 1990, as amended by the Federal Financial Management Act of 1994. The audit objective is to determine whether the Defense Finance and Accounting Service Indianapolis Center consistently and accurately compiled financial data from supporting accounting officers and other sources for the FY 1999 financial statements for "Other Defense Organizations," a reporting entity included in the DoD Agency-wide consolidating financial statements. (C. J. Richardson/(703) 604-9582)

**Audit of the FY 1999 Department of the Navy Working Capital Fund Financial Statements (0FC-2113).** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. We have delegated authority to the Naval Audit Service (NAS) to audit the FY 1999 Navy Working Capital Fund Financial Statements. Our audit includes two objectives. The first objective is to oversee the NAS audit to verify that we can rely on the audit conducted by the NAS. Specifically, we will review the NAS approach and planning for the audit, monitor progress of the audit, perform other procedures necessary to satisfy us as to the adequacy of the audit approach and conclusions, and review audit reports prior to being issued. The second objective is to determine the reliability and effectiveness of processes and procedures used to prepare the Navy Working Capital Fund Financial Statements. (B. Flynn/(703) 604-9489)

**Audit of the FY 1999 Department of the Navy General Fund Financial Statements (0FC-2114).** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. We have delegated authority to the Naval Audit Service (NAS) to audit the FY 1999 Navy General Fund Financial Statements. Our audit includes two objectives. The first objective is to oversee the NAS audit to verify that we can rely on the audit conducted by the NAS. Specifically, we will review the NAS approach and planning for the audit, monitor progress of the audit, perform other procedures necessary to satisfy us as to the adequacy of the audit approach and conclusions, and review audit reports prior to being issued. The second objective is to determine the reliability and effectiveness of processes and procedures used to prepare the Navy General Fund Financial Statements. (B. Flynn/(703) 604-9489)

**Audit of the FY 1999 Air Force General Fund Financial Statements (0FD-2111).** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. We have delegated authority to the Air Force Audit Agency (AFAA) to audit the FY 1999 Air Force General Fund Financial

Statements. Our audit includes two objectives. The first objective is to oversee the AFAA audit to verify that we can rely on the audit conducted by the AFAA. Specifically, we will review the AFAA approach and planning for the audit, monitor progress of the audit, review audit reports prior to being issued, and perform other procedures necessary to satisfy ourselves as to the adequacy of the audit approach and conclusion. The second objective is to determine whether the Defense Finance and Accounting Service (DFAS) Denver Center consistently and accurately compiled financial data from field activities and other sources for the FY 1999 Air Force General Fund Financial Statements. (B. Flynn/(703) 604-9489)

**Audit of the FY 1999 Air Force Working Capital Fund Financial Statements (0FD-2112).** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. We have delegated authority to the Air Force Audit Agency (AFAA) to audit the FY 1999 Air Force Working Capital Fund Financial Statements. Our audit includes two objectives. The first objective is to oversee the AFAA audit to verify that we can rely on the audit conducted by the AFAA. Specifically, we will review the AFAA approach and planning for the audit, monitor progress of the audit, perform other procedures necessary to satisfy us as to the adequacy of the audit approach and conclusions, and review audit reports prior to being issued. The second objective is to determine whether the Defense Finance and Accounting Service consistently and accurately compiled financial data from field activities and other sources for the FY 1999 Air Force Working Capital Fund Financial Statements. (B. Flynn/(703) 604-9489)

**Audit of the DoD Consolidated Financial Statements Stewardship Reporting for FY 1999 (0FH-2109).** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. The overall audit objective is to determine whether the Military Services are consistently identifying National Defense Property, Plant, and Equipment as defined in the Statement of Federal Financial Accounting Standards Number 11 and whether the amount of the prior period adjustment removing military equipment from the balance sheet is correct. Additionally, we will determine whether National Defense Property, Plant and Equipment, Heritage Assets, Stewardship Land, and Nonfederal Physical Property, Human Capital, and Research and Development stewardship investments are presented on the financial statements fairly and in accordance with required supplementary information standards for Federal Agencies (D. Vincent/(703) 604-9110)

**Audit of the FY 1999 Department of Defense Agency-Wide Financial Statements (0FI-2115).** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. Our audit objective is to determine whether the FY 1999 DoD Agency-Wide financial statements were prepared in accordance with Office of Management and Budget (OMB) Bulletin No. 97-01, "Form and Content of Agency Financial Statements," October 16, 1996. We have delegated authority to the Military Department audit organizations to audit the FY 1999 annual financial statements of the Military Departments, as defined in OMB Bulletin No. 98-08,

"Audit Requirements for Federal Financial Statements," October 16, 1996, or subsequent guidance. (R. Bird/(703) 604-9159)

**Audit of the FY 1999 Army General Fund Financial Statements (OFI-2116).** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. We have delegated authority to the Army Audit Agency (AAA) to perform an independent audit of the FY 1999 Army General Fund financial statements. Our audit includes two overall objectives. The first is to oversee the AAA audit to verify that we can rely on the work performed. Specifically, we will review the AAA approach and planning for the audit, monitor progress of the audit, perform other procedures necessary to satisfy us as to the adequacy of the audit approach and conclusions, and review audit reports prior to being issued. The second objective is to determine whether the Defense Finance and Accounting Service (DFAS) Indianapolis Center Indianapolis, Indiana consistently and accurately compiled financial data from field activities and other sources for the FY 1999 Army General Fund Financial Statements. (R. Bird/(703) 604-9159)

**Audit of the FY 1999 Army Working Capital Fund Financial Statements (OFI-2117).** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. We have delegated authority to the Army Audit Agency (AAA) to perform an independent audit of the FY 1999 Army Working Capital Fund financial statements. Our audit includes two overall objectives. The first is to oversee the AAA audit to verify that we can rely on the work performed. Specifically, we will review the AAA approach and planning for the audit, monitor progress of the audit, perform other procedures necessary to satisfy us as to the adequacy of the audit approach and conclusions, and review audit reports prior to being issued. The second objective is to determine whether the Defense Finance and Accounting Service (DFAS) Indianapolis Center Indianapolis, Indiana consistently and accurately compiled financial data from field activities and other sources for the FY 1999 Army Working Capital Fund Financial Statements. (R. Bird/(703) 604-9159)

**Audit of the FY 1999 Corps of Engineers, Civil Works, Financial Statements (OFI-2118).** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. We have delegated authority to the Army Audit Agency (AAA) to perform an independent audit of the FY 1999 Corps of Engineers, Civil Works Financial Statements. Our audit includes two overall objectives. The first is to oversee the AAA audit to verify that we can rely on the work performed. Specifically, we will review the AAA approach and planning for the audit, monitor progress of the audit, perform other procedures necessary to satisfy us as to the adequacy of the audit approach and conclusions, and review audit reports prior to being issued. The second objective is to determine whether the Corps of Engineers Finance Center consistently and accurately compiled financial data from field activities and other sources for the FY 1999 Corps of Engineers, Civil Works, financial statements. (R. Bird/(703) 604-9159)

**Audit of the FY 2000 DoD-Wide Inventory Accounts (0FJ-2102).** This audit (D2000FJ-0067) is required by the Chief Financial Officers Act of 1990, as implemented by the Office of Management and Budget (OMB) and DoD. The overall objective of the audit is to evaluate assertions pertaining to valuation, completeness, and existence of DoD inventory accounts and to determine whether these accounts are presented fairly on the financial statements in accordance with OMB requirements. As a part of the audit, we will assess the internal control structure as it pertains to inventory transactions. The project will support our audit of the DoD-wide consolidated financial statements required by the Federal Financial Management Act of 1994. Sub-project D2000FJ-0067.02 was announced January 21, 2000. Additionally, subprojects D2000FJ-0067.03, D2000FJ-0067.04, and D2000FJ-0067.05 were announced June 21, 2000. (J. Kornides/(614) 751-1400)

**Audit of the Department of Defense Financial Reporting of Operating Materials and Supplies (0FJ-2103).** This audit is required by the Chief Financial Officers Act of 1990, as implemented by the Office of Management and Budget (OMB) and DoD. The overall objectives are to obtain information on the financial reporting of operating materials and supplies, and the appropriateness of policies and regulations governing accounting for operating materials and supplies. As part of the audit we will assess the internal controls structure as it pertains to operating materials and supplies. The project will support our audit of the DoD-wide consolidated financial statements required by the Federal Financial Management Act of 1994. (J. Kornides/(614) 751-1400)

**Audit of the Compilation of the Defense Logistics Agency FY 1999 Financial Statements (0FJ-2104).** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. The objective of the audit is to determine whether the Defense Finance and Accounting Service (DFAS) Columbus Center consistently and accurately compiled financial data from field activities and other sources for the financial statements of the Defense Logistics Agency (DLA). As a part of the audit, we will assess the internal control program and compliance with laws and regulations for transactions and events that have a direct and material effect on the compilation of the DLA financial statements. The project will support our audit of the FY 1999 DoD-wide consolidated financial statements required by the Federal Financial Management Act of 1994. (J. Kornides/(614) 751-1400)

**Audit of the FY 1999 Defense Logistics Agency Working Capital Fund Financial Statements (0FJ-2105).** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. The overall objective of the audit is to determine whether the FY 1999 Defense Logistics Agency Working Capital Fund Financial Statements were prepared in accordance with the Office of Management and Budget form and content guidance. As a part of the audit, we will assess the internal control program and compliance with laws and regulations related to this objective. (J. Kornides/(614) 751-1400)

**Audit of the FY 1999 DoD Superfund Financial Transactions (0FJ-9103).** This audit objective is to determine whether the U.S. Army Corps of Engineers properly administered the fund. Specifically, we will determine whether the Corps of Engineers supported and accurately recorded obligation and disbursement transactions charged to Superfund projects during FY 1999. (J. Kornides/(614) 751-1400)

**Financial Reporting of DoD Property in the Possession of Contractors for DoD Financial Statements (0FA-2123).** The audit objective is to determine whether DoD property in the possession of contractors is properly reported in the account balances for the DoD financial statements or supplementary stewardship reports. This project was announced January 18, 2000. (C. Richardson/(703) 604-9582)

**Inspector General, DoD, Oversight of the FY 2000 Contractor Efforts on the Valuation of DoD Personal Property Assets(D2000FH-0097).** The audit objective is to provide appropriate oversight over the modified Phase 2 effort to estimate the recorded costs in the DoD Components' personal property accountability and logistics systems. Under the modified Phase 2 statement of work, KPMG will perform system analyses, develop recommendations for property accountability policies, and develop recommended internal controls and procedures related to personal property management. This oversight effort will support our audit of the FY 2000 DoD-wide consolidated financial statements and future audits of financial statements. We will coordinate our oversight effort and any related audits with the Army Audit Agency, the Naval Audit Service, and the Air Force Audit Agency. Each organization will separately announce its audit efforts. This project (0FH-0124) was announced February 4, 2000. (D. Vincent/(703) 604-9119).

**Audit of Defense Working Capital Funds Net Operating Results (D2000FJ-0105).** The audit (0FJ-3101) objective is to determine whether the financial information used to compute net operating result for the activity groups of the Defense Working Capital Fund were consistently and accurately compiled. In addition, we will determine whether the activity groups of the Defense Working Capital Fund met the controls to determine whether management complied with the Government Performance and Results Act of 1993. As a part of the audit, we will review internal controls to determine whether management complied with the Government Performance and Results Act of 1993. This project was announced February 15, 2000. J. Kornides/(614) 751-1400 xt11.

**Audit of the FY 2000 DoD Payroll Withholding Data (D2000FH-0130).** The audit (0FH-0129) is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. The overall audit objective is to determine whether the retirement, health, and life insurance withholdings and employee headcount data submitted by DoD are reasonable. We will also assess internal controls and compliance with laws, regulations, and procedures relative to payroll withholding data submitted by DoD. This project was announced March 7, 2000 (D. Vincent/(703) 604-9109).

**Audit of Consolidation of Financial Data Supporting the FY 2000 Financial Statements for Other Defense Organizations (D2000FA-0146).** The audit (OFA-2125) supports our audit of the FY 2000 DoD Agency-wide financial statements as required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. The audit objective will be to determine the accuracy and completeness of the data submitted by the accounting offices to the Defense Finance and Accounting Service Center for Sustaining Forces-Indianapolis for inclusion in the financial statements for the Other Defense Organizations. This audit was announced March 20, 2000 (C. Richardson/(703) 604-9582).

**Audit of Controls Over Tax Identification Numbers (D2000FI-0151).** The audit objective is to evaluate the controls associated with the List of Contractors Indebted to the United States. We will also evaluate the effectiveness of the management control program as it relates to the audit objective. We will follow up on Recommendation 1, Inspector General, DoD Audit Report No. 95-234, "Department of Defense Compliance with Federal Tax Reporting Requirements," June 14, 1995, requiring contracting officers to obtain tax identification numbers and provide them to DoD paying offices. We will also follow-up on recommendation B.2.a., Inspector General, DoD Audit Report No. 96-038, "Debt Collection and Deposit Controls in the Department of Defense," December 11, 1995, requiring the establishment of performance standards for critical debt collection techniques. This audit was announced March 23, 2000. (R. Bird/(703) 604-9159).

**Request for Assistance to Evaluate Adequacy of Management Controls Over Funds Received (D2000LA-0192).** The objective of the assistance is to evaluate the adequacy of management controls over funds received. Specifically, we will determine whether the policies and procedures are robust enough to provide funds control and oversight of the increased funding levels to support counter-narcotics activities in Columbia. This audit was announced April 11, 2000. (H. Geyer/(703) 604-9174).

**Audit of Journal Entry and Other Adjustments to U.S. Transportation Command Data in the FY 2000 DoD Agency-wide Financial Statements (D2000FD-0205).** This audit supports the audit of the FY2000 DoD Agency-wide financial statements required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. The primary objective is to determine whether Defense Finance and Accounting Service (DFAS) operating locations follow adequate procedures in processing and reporting U.S. Transportation Command data in the FY 2000 DoD Agency-wide financial statements. Specifically, we will identify and evaluate journal entry and other adjustments made by DFAS operating locations to U.S. Transportation Command data included in the FY2000 DoD Agency-wide financial statements. This audit was announced May 2, 2000. (B. Flynn/(703) 604-9489)

\* indicates audits that were carried over from FY 1999

## INFORMATION TECHNOLOGIES RESOURCES

**Audits of Year 2000 Conversion Issues (Multiple).** We plan to complete the series of audits during the first quarter of FY 2000, which were conducted in informal partnership between the Chief Information Officer, DoD, and the Inspector General, DoD, to validate DoD progress toward assuring continuity of operations and business processes. Individual projects at Unified Commands and other DoD Components in all major functional areas will be summarized into a lessons learned report. (M. Ugone/(703) 604-9049)

<u>Number</u>	<u>Title</u>	<u>Point of Contact</u>	<u>Announced</u>
*9AB-0043	Audit of Year 2000 Higher Level Testing	R. Spencer (703) 604-9071 Report 00-015	4/23/99  10/20/99
*9AB-0054	Audit of Configuration Changes to Year 2000 Compliant Mission-Critical Systems	R. Spencer (703) 604-9071	9/2/99
*9AD-0041	Audit of Configuration Status Accounting for National Security Agency Mission-Critical Automated Information Systems	K. West (703) 604-8983	4/22/99
*9AD-0042	Audit of Service Cryptologic Elements for Year 2000 Compliance	K. West (703) 604-8983 Report 00-037	4/22/99  11/12/99
*9AD-0044	Audit of an Air Force Special Access Program Year 2000 Compliance	K. West (703) 604-8983 Report 00-013	4/28/99  10/20/99
*9AD-0100	Audit of the Intelligence Functional Area Year 2000 End-to-End Test Planning	K. West (703) 604-8983 Report 00-014	4/16/99  10/20/99
*9AL-0053	Audit of Year 2000 Contingency Plans for Personnel Systems	C. Santoni (703) 604-9051 Report 00-060	8/5/99  12/16/99
*9AL-0098	Audit of the Year 2000 End-to-End Tests for Personnel Systems	C. Santoni (703) 604-9051 Report 00-025	4/19/99  10/27/99
*9AS-0048	Audit of System Users Adherence to Information System Security Policy	M. Ugone (703) 604-9049 Report 00-058	6/24/99  12/20/99

*9AS-0048.01	Reannouncement: System Users Adherence to Information System Security Policy	(703) 604-9049 M. Ugone	12/2/99
*9AS-0050	Audit of Year 2000 Contingency Plans	M. Ugone (703) 604-9049 Report 00-049	7/27/99 12/10/99
*9AS-0051	Audit of the Use of Analysis and Renovation Tools for Year 2000 Assurance	M. Ugone (703) 604-9049 Report 00-062	7/29/1999 12/17/99
*9AS-0090.04	Audit of the Year 2000 Status of Defense Threat Reduction Agency Mission Critical Systems	M. Ugone (703) 604-9049 Report 99-234	4/5/99 8/19/99
*9AS-0090.08	Review of the Year 2000 Status of the Compliance Monitoring and Tracking System	M. Ugone (703) 604-9049 Report 00-032	6/1/99 11/5/99
*9CB-0099	Audit of the Environmental Security Year 2000 End-to-End Tests	W. Gallagher (703) 604-9270 Report 99-253	4/19/99 9/15/99
*9CH 5047	Audit of the Procurement Systems Y2K End-to-End Tests	G. Stephenson (703) 604-9332	4/21/99
*9CH-5048	Audit of the Communications Systems Year 2000 (Y2K) End-to-End Tests	G. Stephenson (703) 604-9332 Report 00-066	4/19/99 12/23/99
*9FG-9010	Audit of Defense Finance and Accounting Service Year 2000 Contingency Plans	K. Caprio (703) 604-9139	8/6/99
*9FG-9025	Audit of Defense Civilian Pay Functional Area Year 2000 End-to-End Tests	K. Caprio (703) 604-9139 Report 99-259	4/19/99 9/28/99
*9FG-9025.01	Audit of Defense Civilian Pay Year 2000 End-to-End Tests	K. Caprio (703) 604-9139	7/27/99
*9FG-9026	Audit of Defense Military Pay Functional Area Year 2000 End-to-End Tests	K. Caprio (703) 604-9139 Report 00-017	4/19/99 10/21/99
*9FG-9028	Audit of Defense Transportation Pay Functional Area Year 2000 End-to-End Tests	K. Caprio (703) 604-9139 Report 00-007	4/19/99 10/12/99
*9FG-9029	Audit of Defense Disbursing Functional Area Year 2000 End-to-End Tests	K. Caprio (703) 604-9139 Report 00-006	4/19/99 10/12/99



*9FG-9031	Audit of Defense Travel Pay Functional Area Year 2000 End-to-End Tests	K. Caprio (703) 604-9139 Report 00-018	4/19/99  10/22/99
*9LA-5032.01	Follow-on Audit of U.S. Atlantic Command Year 2000 Issues - Phase 2	H. Geyer (703) 604-9593 Report 00-047	6/7/99  12/3/99
*9LA-5033	Follow-on Audit of U.S. Special Operations Command Year 2000 Issues	H. Geyer (703) 604-9593 Report 99-240	11/12/98  8/23/99
*9LA-5033.01	Follow-on Audit of U.S. Special Operations Command Year 2000 Issues - Phase 2	H. Geyer (703) 604-9593 Report 00-045	6/7/99  12/1/99
*9LD-9024	Audit of the Logistics Year 2000 End-to-End Tests	T. Schraden (703) 604-9186 Report 00-002	4/19/99  10/1/99
*9LD-9024.01	Audit of Logistics Year 2000 End-to-End Testing in the Army	T. Schraden (703) 604-9186 Report 00-033	6/16/99  11/5/99
*9LD-9024.02	Audit of Logistics Year 2000 End-to-End Testing in the Air Force	T. Schraden (703) 604-9186 Report 00-021	6/16/99  10/26/99
*9LD-9024.03	Audit of Logistics Year 2000 End-to-End Testing in the Navy	T. Schraden (703) 604-9186 Report 00-040	6/16/99  11/16/99
*9LD-9024.05	Audit of Logistics Year 2000 End-to-End Testing in the Air Force	T. Schraden (703) 604-9186 Report 00-043	9/28/99  11/29/99
*9LF-5041	Audit of Year 2000 Sensitive Material Donated, Sold, or Transferred to Domestic Recipients	M. Joseph (757) 766-9108 Report 99-255	2/17/99  9/15/99
*9LF-5046	Audit of Year 2000 End-to-End Tests for DoD Health Care Systems	M. Joseph (757) 766-2703 Report 00-031	4/21/99  11/4/99
*9LG-0096	Audit of Year 2000 Issues for Joint Operational Planning	E. Klemstine (703) 604-9172 Report 00-026	4/13/99  10/27/99
0AB-0119	Audit of Year 2000 Windowing Techniques	R. Spencer (703) 604-9071	12/7/99

**Audit of the Reporting Requirements for Major Automated Information System Programs (Project No. \*9AB-0045).** We will evaluate the implementation of the reporting requirements for Automated Information System Programs and determine if the

information required by current policies and regulations for the Automated Information System Programs is being adequately and accurately reported to the Congress, OSD, OMB, and Military Departments. This project was announced on April 28, 1999. (R. Spencer/(703) 604-9071)

**Information Assurance for Automated Information Systems (OAS-P002).** We will continue this series of audits to evaluate the planning and implementation of automated information systems programs. We will determine whether the selected programs comply with Federal and DoD security initiatives and whether DoD information assurance planning and oversight are adequate. (M. Ugone/(703) 604-9049)

**Acquisition Management of Automated Information Systems (OAL-P002).** This audit will evaluate the acquisition management of selected automated information system acquisition programs. Specifically, the selected information systems will be evaluated to determine if they are being cost effectively acquired, monitored, tested, and prepared for deployment and system life cycle support in accordance with DoD Directive 5000.1, "Defense Acquisition," and DoD 5000.2-R, "Mandatory Procedures for Major Defense Acquisition Programs and Major Automated Information Systems." (C. Santoni/ (703) 604-9051)

**Audit of Information Technology General Controls for the Defense Joint Military Pay System (OFG-2119).** We will perform an audit of the Defense Joint Military Pay System (DJMS) information technology general controls in support of audits required by the Chief Financial Officer (CFO) Act of 1990 as amended by the Federal Financial Management Act of 1994, and the Federal Financial Management Improvement Act 1996. We will determine whether DJMS access and system software general controls are effective in design and operation for FY 1999, and whether these controls can be relied upon to support CFO audits. We will also review other general control procedures in the areas of entity-wide security program, application software development and change control, segregation of duties, and service continuity. If general controls are deemed effective, the OIG, DOD, may determine an application control review of DJMS is warranted. (K. Caprio/(703) 604-9140)

**Audit of Information Technology General Controls for the Defense Joint Military Pay System (OFG-2120).** We will perform an audit of the Defense Civilian Pay System (DCPS) information technology general controls in support of audits required by the Chief Financial Officers (CFO) Act of 1990 as amended by the Federal Financial Management Act of 1994, and the Federal Financial Management Improvement Act of 1996. We will determine whether DCPS access and system software general controls can be relied upon to support CFO audits. We will also review other general control procedures in the areas of entity-wide security program, application software development and change control, segregation of duties, and service continuity. (K. Caprio/(703) 604-9140)

**Audit of Defense Joint Accounting System Milestone Approval Process (0FG-5103).**

This audit is based upon language in the House of Representatives Committee on Appropriation Report to accompany the DoD Appropriations Bill 2000. The overall objective of the audit is to determine whether the Milestone approval process for the Defense Joint Accounting System meets the standards for acquisition of Information Technology and the requirements of the Clinger-Cohen Act.

(K. Caprio/(703) 604-9140)

**Evaluation of Information Assurance at Central Design Activities (0PT-0112).** The objective of this evaluation is to determine whether information assurance policies and management controls are working to protect the software development environments and software libraries that the central design activities use for DoD software development and maintenance. This audit was announced November 24, 1999. (K. Stavenjord/(703) 604-8952)

**Audit on the Security Controls of Electronic Data Access and Electronic Data Interchange (0FG-5106).** This audit was requested by the Director, Defense Finance and Accounting Service, Columbus Center. The overall objective is to determine whether the security of Electronic Data Access and Electronic Data Interchange is adequate. The audit will include reviews of selected general and application controls. We will also review compliance with Chief Financial Officer Act requirements. This audit was announced December 1, 1999. (K. Caprio/(703) 604-9139)

**Audit of Information Technology General Controls for the Standard Automated Material Management System (\*9FG-0094).** In support of audits required by the Chief Financial Officers (CFO) Act of 1990 as amended by the Federal Financial Management Act of 1994, and the Federal Financial Management Improvement Act of 1996, we will conduct this audit. We contracted with PriceWaterhouse Coopers to determine whether SAMMS access and system software general controls are effective in design and operation for FY 1999, and whether those controls can be relied upon to support CFO audits. The OIG, DoD, will perform other general control review procedures in the areas of entity-wide security program, application software development and change control, segregation of duties, and service continuity. If general controls are deemed effective, the OIG, DOD, may determine an application control review of SAMMS is warranted. (K. Caprio/(703) 604-9140)

**Audit of the Development of the Defense Finance and Accounting Service Corporate Database (0FG-0116).** The overall objective is to review the development of the Defense Finance and Accounting Service Corporate Database and the impact on entitlement, disbursing, and accounting functions. The audit is in support of the Chief Financial Officer Act. Additionally, selected general and application controls will be reviewed. This project was announced December 14, 1999. (K. Caprio/(703) 604-9139)

**Audit of the Security Posture of the Unclassified but Sensitive Internet Protocol Router Network (NIPERNet) (0AS-0118).** The overall audit objective is to evaluate DoD efforts to increase the security posture of the Unclassified but Sensitive Internet Protocol Router Network (NIPERNet). Guidance for the audit can be found in Office of the Assistant Secretary of Defense Memorandums, "Increasing the Security Posture of the NIPERNet," August 22, 1999, and "Extending Deadlines Relating to the Memorandum, 'Increasing the Security Posture of the NIPERNet,'" September 7, 1999. This project was announced December 8, 1999. (D. Pearson/(703) 604-9094)

**Audit of the Defense Clearance and Investigations Index Database (D2000AD-0132).** The objective of the audit (0AD-0130) is to determine the accuracy, integrity, timeliness, and availability of information in the Defense Clearance and Investigations Index (DCII) database. We will determine organizations authorized to input data in the DCII and those responsible for ensuring the accuracy of information in the DCII. We will also determine the use of the DCII and its impact on the future Joint Personnel Adjudication System. This audit was announced March 10, 2000. (R. West/(703) 604-8983).

**Audit of the Defense Security Service Program Management of the Case Control Management System (D2000AL-0159).** Our overall objective is to review the Defense Security Service's program management of the Case Control Management System and the actions being taken to correct problems in its development and deployment. This audit was announced March 30, 2000. (C. Santoni/(703) 604-9051).

**Audit of Allegations to the Defense Hotline Concerning the Defense Security Assistance Management System (D2000FG-0162).** The primary audit objective will be to determine whether the Defense Security Assistance Management System will meet cost, performance, schedule, and user requirements. This audit was announced April 5, 2000. (K. Caprio/(703) 604-9139).

**Audit of the Defense Environmental Security Corporate Information Management Program Activities (D2000AS-0207).** The audit was requested by the Senate Committee on Armed Services. The objective is to review the current status and operation of the Defense Environmental Security Corporate Information Management Program. This audit was announced May 5, 2000. (W. Hopkins/(703) 604-9049).

**Audit of the Process Used to Certify that Major Automated Information Systems are Managed in Accordance with the Clinger-Cohen Act (D2000AS-0212).**

The objectives are to evaluate DoD progress in implementing the statutory requirements of the Clinger-Cohen Act and to determine whether DoD oversight processes and procedures provide the Chief Information Officer, DoD, sufficient basis to certify that DoD major automated information systems are managed in accordance with that Act. This audit was announced May 10, 2000. (W. Hopkins(703) 604-9049).

**\* indicates audits that were carried over from FY 1999**

## ACQUISITION PROGRAM AND CONTRACTOR OVERSIGHT

**Access Reciprocity Between Special Access Programs (\*9AD-0046).** We will determine the status of actions taken within the DoD relating to access reciprocity between special access programs. IG, DoD, Report No. 98-067, "Access Reciprocity Between DoD Special Access Programs," February 10, 1998, set forth recommendations relating to access reciprocity. This project was announced on May 11, 1999; the final report 00-072 was issued January 31, 2000. Two additional sub-projects, \*9AD-0046.01 and \*9AD-0046.02, were announced on November 9, 1999; sub-project 9AD-0046.03 was announced January 2, 2000. (K. West/(703) 604-9804)

**Acquisition of the Minuteman III Propulsion Replacement Program (\*9AE-0074).** We will evaluate the management of the Minuteman III Propulsion Replacement Program. Because the program is in the Engineering and Manufacturing Development Acquisition phase, our audit will determine whether management is cost-effectively developing and making the replacement program ready for production. This project, 9AE-0074, was announced on October 15, 1998. (J. Meling/(703) 604-9091)

**Open System Architecture for Weapon Systems (\*9AE-0091).** We will evaluate the program managers' consideration and use of open system architecture in weapon systems development. Project 9AE-0091 was announced on March 10, 1999. (J. Meling/(703) 604-9091)

**Audit of Information Technology Services Contracts for the Defense Intelligence Community (Project No. \*9AD-0052).** We will determine whether the Defense Intelligence Agency awarded and uses DoD intelligence information system integration and engineering support contracts in accordance with statutes and regulations. This project was announced on July 29, 1999. (K. West/(703) 604-8983)

**Audit of the Evolved Expendable Launch Vehicle Program (Project No. \*9AD-0085).** At the request of the House Committee on Appropriations, we will evaluate whether the Evolved Expendable Launch Vehicle Program's use of Other Transaction Authority is appropriate and whether adequate safeguards exist to protect the Government's interest. This project was announced on December 11, 1998; the final report 00-070 was issued December 29, 1999. (K. West/(703) 604-8983)

**Audit of the Allegations on Two Air Force Special Access Programs (Project No. \*9AD-8007).** In response to a complaint to the DoD Hotline, we will evaluate the use of special access program procedures on two Air Force programs. This project was announced on June 7, 1999; the final report 00-059 was issued December 16, 1999. (K. West/(703) 604-8983)

**Audit of DoD Acquisition Workforce Reduction Trends and Impacts (Project No. \*9AE-5021).** We will review the trends of DoD acquisition workforce and workload reductions and also evaluate the potential impact of further acquisition workforce reductions on DoD's ability to support its acquisition workload requirements. This project was announced on July 19, 1999. (J. Meling/(703) 604-9091)

**DoD Process for Developing Quantitative Munitions Requirements (Project No. \*9AS-0049).** We plan to summarize audit and inspection results pertaining to the Quantitative Munitions Requirements development process. Specifically, we will summarize analyses of systemic problems identified and review changes to guidance, the phased threat distributions development process, and studies that address the requirements generation process. This project was announced on June 30, 1999. (M. Ugone/ (703) 604-9049)

**Evaluation of the National Defense Center for Environmental Excellence (Project No. \*9CB-5016).** At the request of the Deputy Under Secretary of Defense (Environmental Security), we will evaluate the effectiveness of the National Defense Center for Environmental Excellence (NDCEE) in developing and disseminating environmental technologies for the DoD. This project was announced on May 26, 1999. (W. Gallagher/(703) 604-9270)

**Audit of Use of Contract Deliverables on Contracts for Services (Project No. \*9CF-0073).** We will determine whether the Military Departments and Defense agencies effectively use deliverables on service contracts. This project was announced on October 6, 1998. (T. McKinney/(703) 604-9288)

**Audit of the Defense Logistics Agency Industrial Prime Vendor Program (Project No. \*9CF-1001).** We will determine whether the Defense Logistics Agency's Industrial Prime Vendor Program is obtaining the best value for its customers and DoD. This project was announced on April 13, 1999. (T. McKinney/(703) 604-9288)

**Review of Defense Logistics Agency and Contractor Purchasing Environments (Project No. \*9CF-5028).** At the request of the Office of the Under Secretary of Defense for Acquisition and Technology, we will analyze spare parts classified in the replenishment and catalog purchasing environments to identify key users and potential impediments and cost reductions associated with these purchasing methods. Specific objectives will focus on determining current logistics response times, stock levels, and potential cost reductions associated with shifting from the current method of support to a

more tailored approach. This project was announced on August 26, 1999. (T. McKinney/(703) 604-9288)

**Audit of the Procurement of Free Weights by Military Organizations (Project No. \*9CH-5026).** In response to a tasking proposed in section 1045 of the National Defense Authorization Bill for Fiscal Year 2000, we will audit the procurements of free weights for use in strength training by members of the Armed Forces stationed at DoD installations in the United States. We will determine whether contracting officers complied with the Buy American Act (41 U.S.C. 10a) when they purchased free weights. This project was announced on August 10, 1999. (G. Stephenson/(703) 604-9219)

**Audit of the Procurement of Military Working Dogs (Project No. \*9CH-5027).** At the request of a U.S. congressman, we will determine whether recent procurements of military working dogs by the 341<sup>st</sup> Training Squadron complied with title 41, United States Code, Section 10a, commonly known as the Buy American Act. This audit was announced on August 12, 1999. (G. Stephenson/(703) 604-9332)

**Audit of the Fiscal Year 1999 Automated Document Conversion System Program (Project No. \*9CH-5038).** At the request of the Director, Logistics Systems Reengineering, we will evaluate the effectiveness of the project selection and contract award processes for the FY 1999 Automated Document Conversion System (ADCS) Program. We will also determine whether the procedures for selecting ADCS projects for contract award were adequate and complied with. We will further determine whether the procedures for awarding ADCS contracts will promote full and open competition. This project was announced on December 15, 1998. (G. Stephenson/(703) 604-9332)

**Audit of the Ballistic Missile Defense Organization's Technology Selection Process for the Discriminating Interceptor Technology Program (Project No. \*9CH-5040).** At the request of a U.S. representative, we will determine the validity of a complaint concerning the technology selection process for the Discriminating Interceptor Technology Program. We will examine the composition and operation of the Independent Evaluation Team, and whether there was compliance with applicable laws and regulations regarding the use of consultants and advisory and assistance services contracts. This project was announced on February 1, 1999; the final report 00-061 was issued December 17, 1999. (G. Stephenson/(703) 604-9332)

**Audit of Navy Acquisition of Air Membrane Dehydrators (Project No. \*9CK-5014).** At the request of a U.S. representative, we will determine whether the Navy complied with applicable Federal Acquisition Regulations and DoD guidance when contracting for air membrane dehydrators and whether air membrane dehydrators were appropriately procured for Navy ships on a sole source bases and were qualified by Navy standards. This project was announced on April 27, 1999. (J. Doyle/(703) 604-9348)

**Audit of Radioactive Material Containment Bags (Project No. \*9CK-5024).** At the request of a U.S. senator, we will review the Navy's performance on three contracts for



radioactive material containment bags. Specifically, we will determine whether the Navy properly administered the contracts for radioactive material containment bags and whether the Navy ordered excessive inventory and allowed the use of a defective material. This project was announced on July 30, 1999. (J. Doyle/(703) 604-9348)

**Audit of Contracting for Anthrax Vaccine (Project No. \*9CK-5029).** At the request of a U.S. representative, we will determine whether the DoD complied with applicable Federal Acquisition Regulations and DoD guidance when procuring anthrax vaccine. We will also determine whether the contracts and related financial arrangements regarding the procurement of anthrax vaccine are proper and prudent. This project was announced on August 25, 1999. (J. Doyle/(703) 604-9348)

**Audit of Procurement of Selected Components of the Army Crusader and the Air Force Joint Strike Fighter (Project No. \*9CK-5043).** At the request of a U.S. representative, we will determine whether violations of procurement regulations occurred regarding procurement of selected components of the Army Crusader vehicle and the Air Force Joint Strike Fighter aircraft. This project was announced on March 15, 1999; final report 00-019 was issued October 26, 1999. (J. Doyle/(703) 604-9348)

**Follow-up of Congressional Inquiry in Regard to Texas Engineering Solutions, Inc. (Project No. \*9OC-5034).** At the request of a U.S. representative, we will examine allegations concerning the February 1997 termination of a contract. This project was announced on November 19, 1998. (B. Smolenyak/(703) 604-8760)

**Follow-Up Audit on the Use of Funds Appropriated for Major Defense Systems (0AE-P001).** This audit will follow up on Office of the Inspector General, DoD, Audit Report No. 99-012, "Use of Funds Appropriated for Major Defense Systems," October 14, 1998. The primary objective of this audit will be to determine trends in the use of funds appropriated for the acquisition of major Defense systems. (J. Meling/(703) 604-9091)

**Acquisition Management of Total Ownership Costs for Major Defense Systems (0AE-P002).** The primary objective of the audit will be to determine whether program managers are integrating the management of development and production costs for systems with the management of operation and support costs for systems. Specifically, we will determine whether the program managers, through integrating efforts, are providing a total ownership costs focus during program development so that trade-offs can be made between investments in developing and producing the system and reducing system operation and support costs. (J. Meling/(703) 604-9091)

**Program Management Audits of Major Acquisition Programs (0AM-P001).** The primary objective of the audits will be to determine whether program managers for selected major acquisition programs are adequately readying the programs for their next milestone decision points in the acquisition process. We will follow our critical program management elements approach for the audits and focus on high-risk areas and areas of

special interest to the programs' managers at all levels. We will also determine whether the programs are implementing smart business practices and are making full use of the flexibilities available through acquisition reform initiatives. (P. Brannin/(703) 604-9002)

**Adequacy of Contracting Officer Determination of Price Reasonableness when Cost or Pricing Data are not Required (OCF-0111).** Federal Acquisition Regulation Part 15 prescribes types of information that may be used and the order of precedence for obtaining the information to determine price reasonableness when certified cost or pricing data are not required. The primary objective of this audit will be to determine whether the contracting officer obtained information in accordance with the regulation and whether these reasonableness determinations were adequate. (T. McKinney/(703) 604-9288)

**Performance-Based Service Contracting (OCF-P004).** The objective of the audit will be to determine whether Performance-Based Service Contracting (PBSC) provides the best value for DoD. Specifically, the audit will determine whether PBSC has improved contractor performance and lowered overall costs for DoD. The audit will also determine the impact of PBSC on contractor profits. (T. McKinney/(703) 604-9288)

**Contract Audit Followup (OCG-P003).** The audit will review tracking, reporting, and settlement of contract audit recommendations contained in audit reports issued by the Defense Contract Audit Agency to the Military Departments and Defense agencies. The primary objective of the audit will be to determine whether the DoD Components have established audit followup systems that meet the requirements of Office of Management and Budget Circular A-50, "Audit Followup," and DoD Directive 7640.2, "Policy for Followup on Contract Audit Reports." The audit will also determine whether DoD contracting officers adhere to DoD policies for followup on contract audit reports when settling contract audit issues. (W. Million/(703) 604-9312)

**Use of Contracted Advisory and Assistance Services (OCH-P002).** The primary objective is to determine the adequacy of practices for acquiring contracted advisory and assistance services (CAAS). The audit will evaluate the procedures for determining the price reasonableness of CAAS, the nature and extent of the use of sole-source contracts, and compliance with statutory and regulatory requirements on the use of CAAS. (G. Stephenson/(703) 604-9332)

**Competitive Sourcing of Defense Agency and Defensewide Commercial Activities (OCH-5102).** The overall objective is to evaluate the implementation of the competitive sourcing program for Defense Agency and Defensewide commercial activities. Specific objectives are to determine the adequacy of independent reviews of recently completed Office of Management and Budget (OMB) A-76 cost comparison studies, determine whether most efficient organizations (MEOs) were implemented for activities where DoD employees won A-76 competitions, evaluate justifications for direct conversions of commercial activities to contract, and evaluate implementation of the Federal Activities Inventory Reform (FAIR) Act. (G. Stephenson/(703) 604-9332)

**DoD Purchasing Office Organization and Staffing (0CH-P007).** The primary audit objective is to determine whether DoD purchasing offices are organized and staffed to perform workload requirements efficiently and effectively. The specific objectives include: assessing the consistency among DoD components in performance metrics, operating procedures, and staffing guidelines for purchasing offices; determining the extent that purchasing offices are reimbursable services organizations; and assessing the potential for purchasing office consolidation. (G. Stephenson/(703) 604-9332)

**Waivers of Requirement for Contractors to Provide Certified Cost or Pricing Data (0CH-P008).** As directed by the Senate Committee on Armed Services Report on the National Defense Authorization Act for Fiscal Year 2000, we will determine whether waivers of the requirement for contractors to provide certified cost or pricing data granted in FYs 1997 and 1998 were properly justified and appropriately used, and whether DoD had taken steps to ensure that prices were fair and reasonable when the requirement was waived. This project, 0CH-5112, was announced January 19, 2000 (G. Stephenson/(703) 604-9332)

**Follow-on Audit of Army Pilot Program for Selling Manufactured Articles and Services of Army Industrial Facilities (0CH-P009).** As directed by the National Defense Authorization Bill for Fiscal Year 2000, we will assess the success of the pilot program. The audit will determine the effect of the waiver of 10 U.S.C. 4543(a)(5) on opportunities for United States manufacturers, assemblers, developers, or other concerns; Army industrial facilities; and small businesses to enter into or participate in contracts and teaming arrangements under DoD weapon systems programs. (G. Stephenson/(703) 604-9332)

**Audit of the Acquisition Management of the Defense Information Systems Agency Global Combat Support System (0AL-0108).** This audit will evaluate the acquisition management of the Global Combat Support System by the Defense Information Systems Agency. Specifically, the audit will determine whether the System is being cost effectively acquired, monitored, tested, and prepared for deployment and life-cycle support in accordance with DoD Directive 5000.1, "Defense Acquisition," and DoD Regulation 5000.2-R, "Mandatory Procedures for Major Defense Acquisition Programs (MDAPS) and Major Automated Information Systems (MAIS) Acquisition Programs." (C. Santoni/(703) 604-9051)

**Audit of Development of Radio Frequency Weapon Threat Assessments (0AL-0109).** The objective for this audit is to determine whether the DoD and the Services are adequately reflecting radio frequency threats in their weapon systems' threat assessments. Specifically, the audit will determine how the radio frequency threats are developed and validated, and how they are incorporated into weapon system threat assessments. (C. Santoni/(703) 604-9051)

**Audit of the Protection of Systems Against Radio Frequency Weapons (0AL-0110).**

Our objective is to determine whether the DoD is acquiring systems that are adequately protected against radio frequency weapons. Systems to be included in the review will be determined during the survey phase of the audit; however, systems that were addressed in the 8AL-0041 series of audits on this subject will not be revisited in this audit. We will determine the radio frequency threats for each selected system, whether the operational requirements document requires adequate protection against identified radio frequency threats, whether the system specification provides for protection against radio frequency emissions at a level that satisfies the requirements of the operational requirements document, and whether tests of radio frequency protection are planned and conducted at the level specified in the system specifications. (C. Santoni/(703) 604-9051)

**Audit of an Air Force Contract for Installation of Radios and Antennae (OCF-2106).**

This audit is in response to a congressional request. Our objective is to determine whether the actions taken by the Air Force in the award and administration of contract F19628-85-C-0079, for the installation of radios and antennae, complied with all applicable statutes, regulations and directives. Specifically, the Committee on Small Business requested that we determine the propriety of the Air Force directing that the prime contractor subcontract work to a specific contractor. (T. McKinney/(703) 604-9288)

**Audit of the Defense Contract Management Command Disposition of Excess Government-Owned Property (OCK-8101).**

This audit is in response to allegations to the Defense Hotline. The overall objective is to determine whether the Defense Contract Management Command plant clearance actions comply with applicable DoD guidance. We will also determine whether the Defense Contract Management District-East plant clearance cases actually resulted in the disposition of the excess Government-owned property reported on the plant clearance actions. (J. Doyle/(703) 604-9348)

**Audit of Alleged Improper Disclosure of Contractor Proprietary Information (0CH-5108).**

The overall objective is to determine whether Air Force officials complied with applicable statutes and acquisition regulations regarding safeguarding information that Creative Optics, Inc. believes is proprietary. This audit was announced December 2, 1999. (G. Stephenson/(703) 604-9332)

**Audit of the Air Force Consolidated Signals Intelligence Support Activity (0AD-0104)**

The objective of this audit is to evaluate the efficiency and effectiveness of the Air Force Consolidated Signals Intelligence Support Activity (CSSA). Specifically, we will review and evaluate the use of CSSA resources, the planning and budgeting process, the funding controls and procedures, the cost effectiveness of outsourcing repairs, the billing procedures for work performed for parties not contributing funds to CSSA core operations. This project was announced September 27, 1999. (K. West/(703) 604-8983)

**Audit of Maintenance and Repair Type Contracts Awarded by the U.S. Army Corps of Engineers, Wiesbaden, Germany (0CK-5109)** Our objective is to review the award and administration of maintenance and repair type contracts awarded by the U.S. Army Corps of Engineer, Wiesbaden, Germany. This project was announced December 17, 1999. (J. Doyle/(703) 604-9348)

**Audit of the Commercial Contract for Total Logistics support of Aircraft Auxiliary Power Units (0CF-0122)** The audit is being performed as a follow-on to previous audits of commercial buying practices. The overall objective of the audit is to determine if the cost savings, availability, and reliability data used in the business case analysis prepared by the Naval Inventory Control Point supports the decision to award a commercial contract to Allied Signal for total logistics support of aircraft auxiliary power units. The audit will also review the cost savings and benefits from reduced maintenance time, longer mean-time between failures, and the impact from technical refreshment. This project was announced December 15, 1999. (T. McKinney/(703) 604-9288)

**Audit of the Use of Exit Criteria for Major Defense Systems (0AE-0121).** The objective is to evaluate milestone decision authorities use of exit criteria to track program progress in important technical, schedule, and management risk areas. Specifically, we will determine whether milestone decision authorities are using appropriate exit criteria to track acquisition program progress in meeting program goals and to aid in deciding whether programs should be allowed to continue within an acquisition phase or to progress to the next acquisition phase. This audit was announced December 8, 1999. (J. Mehling/(703) 604-9091).

**Audit of U.S. Special Operations Command Special Access Programs (0AD-0120).** The audit objectives are to evaluate the effectiveness of U.S. Special Operations Command acquisition planning for special access programs and the U.S. Special Operations Command use of alternative or compensatory control measures. This project was announced January 5, 2000. (K. West/(703) 604-8983)

**Audit of the Use of Consultants by the DoD Exchange Services (0CK-5111).** The audit was requested by the Chairman and Ranking Democrat, Special Oversight Panel on Morale, Welfare and Recreation, Committee on Armed Services, U.S. House of Representatives. They requested that we review the propriety of the military exchanges using consultants in certain instances. The objective of the audit is to determine whether the use of consultants complies with prevailing ethics laws and regulations. This audit was announced December 21, 1999. (J. Doyle/(703) 604-9348)

**Audit of the V-22 OSPREY Joint Advanced Vertical Aircraft (0AL-0123).** The audit objective is to evaluate the overall management of the V-22 OSPREY Joint Advanced Vertical Aircraft. We will redefine specific audit objectives at the completion of our survey. This audit was announced December 29, 1999. (C. Santoni/(703) 604-9051)

**Audit of the Standard Procurement System Functionality, Implementation, and Control (0FG-9111.00).** The audit is based on a request from the Chairman, House of Representatives, Committee on the Budget. The overall objective of the audit is to evaluate allegations related to the Standard Procurement System. Specifically, the audit will assess allegations related to functionality and user satisfaction, system implementation and operation, and system control. In addition, we will follow-up on recommendations made in Inspector General, DoD Report No. 99-166. "Initial Implementation of the Standard Procurement System," May 26, 1999. This project was announced January 11, 2000. (K. Caprio/(703) 604-9139)

**Audit of the Navy Award of the H-3 Helicopter Maintenance Contract (D2000-D000CK-0092).** The audit (0CK-5113), requested by Senator Richard Shelby and Congressman Terry Everett of Alabama, objective is to review Navy contracting practices relating to the award of contract N00019-99D-1470 for H-3 helicopter maintenance. The overall objective is to determine whether the Navy complied with applicable Federal Acquisition Regulations and DoD guidance when contracting for the H-3 helicopter maintenance contract. This project was announced January 24, 2000. *This project was terminated May 10, 2000, because the Comptroller General issued decision: B-284240.3, B-284240.4, and B-284240.5, March 27, 2000.* The CG concluded that the Navy properly awarded the H-3 Helicopter maintenance contract. (J. Doyle/(703) 604-9349)

**Audit of the Army Healthcare Enterprise Management System(D2000CH-0108).** The audit is being conducted in response to allegations to the Defense Hotline. The audit (0CH-8103) objective is to evaluate whether the Information Technology Business Center, Fort Sam Houston, Texas, followed procurement regulations in awarding and administering the Army Health Care Enterprise Management System contract. The audit was announced February 10, 2000. (G. Stephenson (703) 604-9332)

**Audit of the Commercial Operations and support Savings Initiative Program (D2000AB-0113).** The audit (0AB-0126) will examine the management of the Commercial Operations and Support Savings Initiative (COSSI) program. We will conduct the audit at the offices of Army Communications -Electronic Command, Naval Air Systems Command, Naval Sea Systems Command, Air Force Logistics Commands at Ogden and Sacramento, Air Force Electronics Command. Other organizations will be identified during the audit. This project was announced February 18, 2000. R. Spencer (703) 604-9071.

**Audit of DoD Actions to Achieve the Government Performance and Results Act Goal to Streamline the DoD Infrastructure (D2000CG-0141).** The objective will be to determine whether DoD actions are effective with respect to fulfilling the goal of streamlining the DoD infrastructure. This effort will support the validation of information and data submitted as a measurement of success in achieving Government Performance and Results Act goals. This audit was announced March 20, 2000. (B. Wan/(703) 604-9259).

**Audit of the Contract Award for the Fluid Flow Restrictor Spare Part (D2000CF-0155).** The audit is being performed as a result of a congressional request. The audit objective is to determine whether the Defense Logistics Agency properly awarded the contract for the fluid flow restrictor (NIIN 00-942-9149) to a contractor that resulted in the best value for the government. This audit was announced March 30, 2000. (T. McKinney/(703)604-9288).

**Audit of the DoD Review of Safety Critical Threaded Fasteners and Components (D2000CFK0197).** The audit will be conducted in response to allegations to the Defense Hotline. The overall objective is to determine whether the DoD “Joint Aerospace Threaded Fasteners/Components Review,” dated February 15, 2000, adequately examined safety critical threaded fasteners and components used by the Services. This audit was announced April 13, 2000. (J. Doyle/(703) 604-9349).

**Audit of Protection of the Infrastructure Against Radio Frequency Weapons (D2000AL-0202).** The objective is to determine whether the DoD infrastructure and civilian infrastructure support to national security are protected against radio frequency weapons. Specifically, the audit will examine the plans and the status of their implementation to protect the infrastructure from attacks by radio frequency weapons. The audit will also determine the extent to which the DoD and the Services would be affected by an attack on the infrastructure by radio frequency weapons and their ability to provide civil support. This project was announced April 26, 2000. (C.Santoni/(703) 604-9052).

**Audit of the Buying Program of the Standard Automated Small Purchase System (D2000AL-0116).** The overall audit objective will be to evaluate the buying program of the standard automated small purchase system. Specifically, we will determine whether the buying program has adequate controls for ensuring that contracts awarded for small purchases are at fair and reasonable prices. This project (OLD-5114) was announced March 6, 2000. (T. Schraden/(703) 604-9186).

**Audit of the Acquisition of the Battlefield Combat Identification System (D2000AE-0210).** The objective is to evaluate the overall management of the Battlefield Combat Identification System. Because the program is in the engineering and manufacturing development acquisition phase, our audit will determine whether management is cost-effectively readying the system for the full-rate production phase of the acquisition process. This audit was announced May 8, 2000. (J. Mehling(703) 604-9091).

**Audit of the Acquisition of the Armored Medical Evacuation Vehicle (D2000AE-0208).** The objective is to evaluate the overall management of the Armored Medical Evacuation Vehicle. Because the program is in the engineering and manufacturing development acquisition phase, our audit will determine whether management is cost-effectively readying the system for the production phase of the acquisition process. This audit was announced May 8, 2000. (J. Mehling/(703) 604-9091).

**Audit of the Acquisition of the Advanced Tank Armament System (D2000AE-0211).** The objective is to evaluate the overall management of the Advanced Tank Armament System. Because the program is in the program definition and risk reduction acquisition phase, our audit will determine whether management is cost-effectively readying for the engineering and manufacturing development phase of the acquisition process. This audit was announced May 8, 2000. (J. Mehling/(703) 604-9091).

**Audit of Service Contracts at the National Security Agency (D2000AD-0213).** The objective is to determine whether the National Security Agency followed appropriate contracting policies and procedures in awarding and administering service contracts. This audit was announced May 9, 2000. (R. West/(703) 604-8983).

**Audit of the Acquisition of Mission-Essential General and Industrial Spare Parts for Major Weapon Systems (D2000LD-0206).** The audit, in response to allegations to the Defense Hotline, will evaluate whether procurement support was adequate in acquiring mission-essential general and industrial spare parts for major weapons systems. This audit was announced May 23, 2000. (T. Schraden/(703) 604-9186).

**Audit of the Acquisition of the Joint Helmet Mounted Cueing System (D2000AB-0220).** The audit objective is to evaluate the overall management of the Joint Helmet Mounted Cueing System. Because the program is in the engineering and manufacturing development acquisition phase, our audit will determine whether management is cost-effectively readying the system for the production phase of the acquisition process. This project was announced June 7, 2000. (R. Spencer/(703) 604-9071).

**Audit of the Acquisition of the Combat Survivor Evader Locator (D2000AL-0230).** The audit objective is to evaluate the overall management of the Combat Survivor Evader Locator, and review applicable management controls. This project was announced June 12, 2000. (C. Santoni/(703) 604-9051).

**Audit of the Acquisition of the Joint Biological Point Detection System (D2000AE-0229).** The objective is to evaluate the overall management of the Joint Biological Point Detection System. Because the program is in the engineering and manufacturing development acquisition phase, our audit will determine whether management is cost-effectively readying the system for the production phase of the acquisition process. This project was announced June 12, 2000. (J. Meling/(703) 604-9091).



**Audit of Equipment Procurement for the National Guard and Reserve Forces (D2000AB-0232).** The overall objective is to determine the use of funds in the National Guard and Reserve Appropriations. Specifically, we will determine if the funds appropriated to procure equipment have been used for that purpose and if the equipment has been delivered in accordance with approved acquisition plans. We will review selected procurements during Fiscal Years 1996-2000. This project was announced June 20, 2000. (R. Spencer/(703) 604-9071).

**\* indicates audits that were carried over from FY 1999**

## LOGISTICS

**Audit of the Disposal of Munitions Items (Project No. \*9LD-5018).** We plan to follow up on recommendations made in Report No. 97-213, "Evaluation of the Disposal of Munitions Items." Our objective is to determine whether DoD Components are disposing munitions items in a safe manner. Specifically, we plan to evaluate the adequacy of the policies, procedures, and management controls associated with the disposal of DoD managed munitions. At the request of the Congress, we will initially focus on selected aspects of the disposal process at selected sites. This project was announced on June 14, 1999; the final report 00-050 was issued December 8, 1999. Project 9LD-5018.01 was announced in February 2000. (T. Schrader/(703) 604-9186)

**Audit of Items with Obsolete National Stock Numbers in Military Department and Defense Logistics Agency Weapon Systems Files (Project No. \*9LD-8012).** In response to allegations received by the DoD Hotline, we will evaluate the processes that the Military Departments and the Defense Logistics Agency use to identify and delete items in the weapon systems files that have obsolete national stock numbers. This project was announced on July 28, 1999. (T. Schrader/(703) 604-9186)

**Audit of the Required Delivery Dates in Requisitions for Secondary Items of Supply Inventory (Project No. \*9LH-5045).** At the request of the Deputy Under Secretary of Defense for Logistics, we will evaluate the use of the customer-required delivery date as a measure of order fulfillment. We will also evaluate the effectiveness of the process used to determine the required delivery date in requisitions for secondary items of supply inventory. This project was announced on April 8, 1999. (R. Murrell/(703) 604-9210)

**Mission Capable Rates for Critical Major Weapon Systems (OLA-P002).** This audit will determine whether currently fielded critical major weapon systems are being supported and maintained at readiness levels commensurate with joint force requirements. Specifically, the audit will examine the readiness of those weapon systems across the full spectrum of anticipated contingencies and with minimal warning time. (H. Geyer/ (703) 604-9593)

**Joint and Multinational Training (OLA-P003).** This audit will determine whether the combatant commands and their subordinate Service Component Commands and Joint Task Forces have demonstrated the capability to conduct coalition operations. The audit would analyze the results of significant joint and combined exercises, improvements in the interoperability of Service and allied components' forces and weapons systems, significant alterations of command relationships, and recent deployments. (H. Geyer/ (703) 604-9593)

**Management of Nondemand Based Secondary Items (0LD-P002).** This audit will evaluate the management of secondary items categorized by the DoD inventory control organizations as nondemand based items to determine if management, stockage, and procurement procedures are in accordance with DoD policy. (T. Schraden/(703) 604-9186)

**Implementation of Phase II of the Nonconsumable Item Program (0LD-P003).** This audit will determine the additional costs that are incurred by the DoD as a result of the duplication of materiel management functions by the Military Departments in Phase I of the Nonconsumable Item Program (the Program). The audit will specifically evaluate the Military Department justifications for exempting items in Phase I from full implementation into Phase II of the Program. (T. Schraden/(703) 604-9186)

**Interservice Pricing Policy for Depot Level Repairable Items (0LD-P004).** This is a joint audit requested by the Joint Logistics Commanders that will be coordinated by the Joint Logistics Audit Planning Group. The audit will evaluate the DoD interservice policy for pricing depot level repairables. The audit will also determine if the Military Department procedures for interservice billing of depot level repairables are appropriate and consistent. (T. Schraden/(703) 604-9186)

**Audit of Procurement of Software Programs Used by the Composite Health Care System II (0LF-8102).** The audit is in response to a DoD Hotline allegation related to the award of a contract for commercial software used by the Composite Health Care System II. The objective is to determine whether DoD followed appropriate acquisition regulations when it awarded the contract. This project was announced December 10, 1999. (M. Joseph/(757) 766-9108)

**Audit of Unfunded Depot Maintenance Requirements (D2000FJ-0103).** The audit objective is to determine whether the information used to compute the DoD unfunded depot maintenance requirements was consistently and accurately applied. In addition, we will determine whether the goal of reducing unfunded depot maintenance requirements is being achieved. As a part of the audit, we will review internal controls to determine whether management complied with the Government Performance and Results Act of 1993. (J. Kornides/(614)-751-1400).

**Meteorological and Oceanographic Services (OLG-P002).** This audit (project D2000LG-0102;) will evaluate DoD meteorological and oceanographic support services. We will determine whether the Military Departments provide the most cost effective and non-duplicative meteorological and oceanographic support services to themselves and other governmental agencies. We will also review oversight of the programs and support to non-DoD meteorological and oceanographic programs. This project was announced February 8, 2000. (DSS OLG-3102). (E. Klemstine/(703) 604-9172)

**Audit of Effectiveness of the DoD Transportation System in Improving Logistics Response Time for DoD Organizations Outside the Continental United States (OLH-P002).** This audit will evaluate the effectiveness of the DoD transportation system in supporting the DoD strategic goal of reducing logistics response time as it relates to the DoD supply system customers located outside the Continental United States (CONUS). Specifically, we will evaluate the process and the actual time expended to transport supply items from the supply system to Consolidation Containerization Points (CCPs), for processing within the CCPs, and for inside CONUS in-transit shipments prior to movement to customers outside CONUS. (R. Murrell/(703) 604-9210)

**Audit of the Development of the Advanced Logistics Program (OAB-0103).** This audit will examine the prototype "other transaction" agreement issued by the Defense Advanced Research Projects Agency for the development of the Advanced Logistics Program. The audit objective is to evaluate whether the requirements for information assurance, total asset visibility, and acquisition strategy planning are being properly addressed. (R. Spencer/(703) 604-9071)

**Audit of the Management of the Armed Services Blood Program (OLF-0106).** The objective of this audit is to determine whether the management and administration of the Armed Services Blood Program is adequate to ensure quality blood products are properly handled and controlled during both peacetime and wartime. (B. Brilliant/(703)-604-8875)

**Audit of the Management of Surplus Materiel by DoD (OLD-5104).** The audit, in response to a congressional inquiry, will evaluate the processes that DoD uses in the identification, redistribution, sale, and acquisition of surplus materiel. This audit was announced November 29, 1999. (T. Schraden (703) 604-9186)

**Audit of the Management of National Guard and Reserve Forces' Chemical and Biological Defense Resources (OLA-0117).** The overall objective of the audit is to evaluate the management of chemical and biological defense resources in the National Guard and Reserve Forces. The audit will focus on units and individuals who mobilize and deploy during the first 90 days of hostilities (M-day through D + 90). In addition, we will evaluate the program management of National Guard units charged with chemical and biological defense responsibilities for homeland defense. This audit was announced December 3, 1999. (H. Geyer/(703) 604-9174)

**Audit of Intratheater Transportation Capabilities Within DoD to Support Two Major Theater Wars in Overlapping Time Frames (0LH-0113).** Our overall audit objective is to evaluate DoD intratheater transportation capabilities to support two major theater wars in overlapping time frames. Specifically, we will evaluate the tools that theater commanders use to determine intratheater transportation requirements and determine whether adequate resources are available to support intratheater transportation requirements in the event of nearly simultaneous major theater wars. Further, we will evaluate the coordination of intratheater transportation requirements with coalition and host nation partners. This audit was announced November 29, 1999. (R. Murrell/(703) 604-9210)

**Audit of Deployable Medical Systems Operations, Navy Fleet Hospital Program (\*9LF-0093).** Our overall audit objective is to determine whether the Navy Fleet Hospital Program is based on requirements necessary to support the operations plans. The final report 00-048 for this project was issued December 3, 1999. Project \*9LF-0093.01 started on October 27, 1999. (M. Joseph/(703) 604-9108)

**Audit of the DoD Pilot Program for Shipment of Personal Property (\*9LH-5023).** This audit was requested by the U.S. Transportation Command. Our overall audit objective is to evaluate the processes used to determine the direct and indirect baseline costs and to select data for the DoD Personal Property Program and the Military Traffic Management Command Reengineering DoD Personal Property Program Pilot. In addition, we will review the methodology used to compare data from the current DoD Personal Property Program and the Military Traffic Management Command pilot program with the Army and Navy pilot programs. (R. Murrell/(703) 604-9210)

**Audit of the FY 1998 DoD Drug Interdiction Program (Project No. \*9LH-9020).** As required by Public Law 105-277, we will validate that funds expended on the National Drug Control Program in FY 1998 were used for the purposes intended. This project was announced on February 17, 1999, *and terminated on October 25, 1999*, because the Office of National Drug Control Policy (ONCDP) had not issued guidance on the report format. The due date for the report for the FY 1998 drug funds has been postponed until February 2000. (R. Murrell/(703) 604-9210)

**Audit of Management Controls Over DoD National Drug Control Program Funds (Project No. \*9LH-5032).** This audit is required by Public Law 105-277, "The National Drug Reauthorization Act of 1998," October 21, 1998. The overall audit objective is to evaluate the management controls over the obligation of DoD National Drug Control program funds to determine whether the controls ensure that funds are used for purposes intended by Congress. (R. Murrell/(703) 604-9210)

**Audit of Product Verification Program (Project No. D2000CF-0111).** This audit (OCF-0125) will determine how products are selected for testing and whether the program's testing plan is adequate. The audit will also determine whether the Product Verification Program managers and quality assurance specialists are using the test results to purge nonconforming inventory from the DLA depots and to identify contractor and product problems. This project was announced February 14, 2000. (T. McKinney/(703) 604-9288.

**Audit of the Government Performance and Results Act Goals: Army Tank Miles (D2000LH-0138).** The overall objective will be to evaluate tank mile goals of the Government Performance and Results Act, shown in the "2000 Secretary of Defense Annual Report to the President and the Congress." Specifically, we will assess the validity of the process, data, and factors used to establish the goals related to tank miles. Further, we will evaluate the methods used to accumulate and report the actual data collected by DoD against those goals. This project (0LH-0131) was announced March 13, 2000. (R. Murrell/(703) 604-9210)

**Audit of the Government Performance and Results Act Goals: Strategic Mobility (D2000LH-0143).** Our overall objective will be to evaluate strategic mobility goals of the Government Performance and Results Act, shown in the Secretary of Defense's "Annual Report to the President and the Congress" for 2000. Specifically, we will assess the validity of the processes, data, and factors used to establish the goals related to strategic mobility. Further, we will evaluate the methods used to accumulate and report the actual data collected by DoD against those goals. This audit was announced March 22, 2000. (R. Murrell/(703) 604-9210).

\* indicates audits that were carried over from FY 1999

## CONSTRUCTION AND INSTALLATION SUPPORT

**Audit of Maintenance and Repair of DoD General and Flag Officer Quarters (Project No. \*9CG-5031).** As requested in the House Bill for Defense Appropriations for FY 2000, we will evaluate the maintenance and repair of DoD general and flag officer quarters. This project was announced on August 27, 1999.; final report D-2000-071 was issued January 27, 2000. Project 9CG-5031.01 was announced January 28, 2000. (W. Million/(703) 604-9312)

**Audit of DoD Maintenance, Repair, Environmental, and Construction Requirements for Bulk Fuel Storage and Delivery Systems Infrastructure (Project No. \*9CG-5049).** This project was requested by various OSD and DLA offices. This project was reannounced on August 25, 1999, to reflect the new title and objective. The objective is to evaluate the accuracy and reliability of DoD maintenance, repair, environmental, and construction requirements for bulk fuel storage and delivery systems infrastructure. The project was initially announced on April 28, 1999, as the Audit of the Defense Logistics Agency Requirements for Bulk Fuels Storage Infrastructure. The original objective was to evaluate the accuracy and reliability of the DLA's military construction requirements for bulk fuel storage infrastructure. Sub-project 9CG-5049.3 (D1999-CG0088.03) was announced March 16, 2000. Sub-project D000CG-0088.05 was announced June 21, 2000. (W. Million/ (703) 604-9312)

**Defense Base Realignment and Closure Military Construction FY 2000 Budget Data (0CG-P002).** The audit will review the accuracy of the Defense base realignment and closure (BRAC) military construction (MILCON) FY 2000 budget data. The specific objectives will be to determine whether the proposed projects are valid BRAC requirements, whether the decision for construction was supported with required documentation including an economic analysis, and whether the analysis included existing facilities. (W. Million/(703) 604-9312)

**Audit of Defense Information Systems Agency Regional Support Activity Right-sizing (D2000CG-0165).** The objective will be to determine whether Defense Information Systems Agency's plan for right-sizing its regional support activities conforms with its organizational goals, is consistent with DoD policy, and compiles with applicable laws and regulations law. This project was announced April 10, 2000. (B. Wan/(703) 604-9259).

\* indicates audits that were carried over from FY 1999

## ENVIRONMENT

**Hazardous Waste Disposal Costs (\*9CK-5021).** At the suggestion of the Office of the Deputy Under Secretary of Defense (Environmental Security), we will determine why hazardous waste disposal budgets are increasing while the unit cost to dispose of hazardous waste has decreased. We will also evaluate controls for Defense Component hazardous waste measure of merit reporting and budget formulation. This project, 9CK-5021, was announced on August 26, 1998; the final report 00-020, was issued October 26, 1999. A second project, 9CK-5021.01, was started on September 7, 1999. (J. Doyle/(703) 604-9348)

**Evaluation of the DoD and Military Overseas Environmental Program (Project No. \*9CB-0088).** We will determine the status of DoD environmental program requirements at overseas, specifically assessing U.S. military compliance with governing environmental standards in foreign countries. This project was announced on January 6, 1999; final report 99-251 was issued September 15, 1999. Sub-project D1999-D000CB-0002.02 was announced April 7, 2000. (W. Gallagher/(703) 604-9270)

**Base Realignment and Closure (BRAC) Cleanup Acceleration (0CB-P003).** The purpose of this effort is to determine whether DoD is successfully expediting cleanup of contaminated sites at closure bases. The specific objectives are to identify best management approaches for accelerating cleanup, develop improved acceleration metrics, and determine if regulators are supporting and contributing to the acceleration effort. (W. Gallagher/(703) 604-9270)

**DoD Wastewater Treatment Facility Privatization (D2000CK-0216).** We will determine if DoD activities are conducting adequate economic and security analyses for use in deciding whether or not to pursue privatization of their wastewater treatment facilities. This audit (0CK-P002) was announced May 17, 2000. (J. Doyle/ (703) 604-9348)



**Evaluation of the Navy Shipboard Pollution Control Equipment Program**

**(0CB-5107)**. This evaluation was requested by the House Appropriations Committee to review the effectiveness and cost effectiveness of the Navy's pollution control equipment program for upgrading equipment on Navy ships. Specifically, we will assess the status of progress toward program goals and objectives, and review program costs versus products and services delivered. This audit was announced November 29, 1999. (W. Gallagher/(703) 604-9270)

**\* indicates audits that were carried over from FY 1999**

## HEALTH CARE

**Audit of Distribution and Sharing of DoD Health Care Resources (0LF-0115).** The overall objective is to determine whether DoD health care resources are effectively distributed and shared in catchment areas, in medical regions, and among Military Departments. To avoid duplication of effort, we will coordinate with the General Accounting Office and with the TRICARE Management Activity on efforts such as the ongoing Military Health System Reengineering Study. This audit was announced November 29, 1999. This *project was cancelled April 20, 2000*, because the team was reassigned to the Secretary of Defense-directed evaluation of the Military environment with respect to the homosexual conduct policy. The same team is now assigned to perform an audit of the collection and reporting of quality assurance data within the Military Health System, as requested by the Assistant Secretary of Defense (Health Affairs). Additionally, a working group in the Tricare Management Activity is performing a study to optimize use of resources in military treatment facilities. (M. Joseph/(757) 766-9108).

**Audit of the Collection and Reporting of Quality Assurance Data Within the Military Health System (D2000LF-0195).** The audit objective is to evaluate the collection and reporting of quality assurance data within the Military Health System with a focus on the management of events potentially affecting patient safety. Specifically, the audit will cover the occurrence and reporting of such events and how the various quality assurance programs receive and use the information to improve patient safety. This audit was requested by the Assistant Secretary of Defense (Health Affairs). This audit was announced April 12, 2000. (M. Joseph/(757) 766-9108).

## SECURITY ASSISTANCE AND INTERNATIONAL SECURITY

**Audit of Controls Over the Transfer of Militarily Sensitive Technologies and Information to Countries and Entities of Concern (\*9LG-5030).** The objective of this audit is to evaluate the adequacy of DoD policies and procedures to prevent the transfer of technologies and technical information with potential military application to countries and entities of concern. We will specifically determine whether critical technologies and information are effectively controlled at laboratories and research facilities owned and sponsored by DoD. Project \*9LG-5030.01 started on September 20, 1999. Project 9LG-5030.2 was announced in February 1, 2000. Project 9LG-5030.03 was announced February 24, 2000. (E. Klemstine/(703) 604-9172)

**Cooperative Threat Reduction Program (0LG-5105).** This audit (D000LG-0031) will review the policies and procedures related to the execution of the Cooperative Threat Reduction program. Specifically, we will determine whether funds obligated under the program were used in accordance with the agreements made between the U.S. and the governments of Russia, Ukraine, Kazakhstan, and Belarus. This audit was announced November 29, 1999. Project D000LG-0031.01 was announced May 30, 2000. (E. Klemstine/(703) 604-9172)

\* indicates audits that were carried over from FY 1999

## QUALITY OF LIFE

**Audit of Allegations on the Air Force Promotion Process for Officers Working on Special Access Programs (Project No. \*9AD-8010).** In response to an allegation received by the Defense Hotline, we will evaluate the promotion process for Air Force officers working in the special access program area. We will specifically review contentions that Air Force officers are at a disadvantage during the promotion process because of their association with special access programs. This project was announced on July 13, 1999. (K. West/(703) 604-8983)

**Evaluation of the Implementation of the Policy on Homosexual Conduct in the Military (OLF-5110).** The Secretary of Defense requested the evaluation. The objective is to assess the environment within each Military Department with respect to the application of the homosexual conduct policy. Specifically, we will assess the extent to which the harassment of service members based on perceived or alleged homosexuality occurs or is tolerated. In addition, we will determine if service members have been trained on the DoD policy and whether service members believe they understand the policy. This audit was announced December 17, 1999. (M. Joseph/(757) 766-2703)

\* indicates audits that were carried over from FY 1999

## AUDIT POLICY AND OVERSIGHT

The Inspector General, DoD, has statutory responsibility to provide policy direction for audits performed within DoD and to evaluate the performance of DoD audit organizations, including adherence to audit policies and standards. Additional statutory responsibilities include ensuring appropriate use of non-Federal auditors and their compliance with auditing standards on DoD engagements.

### SUMMARY OF FY 2000 PLANNED PROJECTS

**Evaluation of Contractor Self-Governance Programs (Project No. \*9OC-9006).** We will determine the adequacy of the Defense Contract Audit Agency reviews and reports on contractor self-governance programs and determine how other DoD agencies and departments rely on contractor self-governance programs such as ethics programs. This project was announced on April 29, 1999. (B. Smolenyak/(703) 604-8760)

**Quality Control Reviews of Single Audits (00A-9106).** The objective is to evaluate whether independent auditors (Federal and non-Federal) performed their audits in accordance with applicable standards and the audit requirements of the Single Audit Act and the Office of Management and Budget Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations." Our reviews will focus on the qualitative aspects of the audits at selected independent public accounting firms with emphasis on those entities that have not received recent coverage. (B. Smolenyak/(703) 604-8761)

**Service Audit Agencies Peer Reviews (00A-P003).** The objectives are to determine whether the Service Audit Agencies' processes for conducting peer reviews are working as planned and to identify what types of findings are reported. We will determine if reliance can be placed on the peer review results in fulfilling our oversight responsibilities. We will also evaluate the internal quality control programs established by the Service Audit Agencies to determine whether they comply with Government Auditing Standards and DoD policies. This project, D2000-D000OA-0095, was announced January 31, 2000 (DSS 00A-9112). (B. Smolenyak/(703) 604-8761)

**DCAA Participation in Integrated Product Teams (00C-9110).** The objective is to evaluate the DCAA role in Integrated Product Teams of providing real-time feedback during the proposal preparation process by identifying problems and finding potential solutions at the earliest possible point in the procurement process. We will evaluate audit results, monetary benefits, and the DCAA contribution to the overall procurement cycle time reduction. This project was announced on December 16, 1999. (B. Smolenyak/(703) 604-8761)

**DCAA Quality Assurance Program (00C-P003).** The objective is to determine whether the DCAA Quality Assurance (QA) Program, based on PCIE guidelines, provides reasonable assurance that established policies and procedures and applicable auditing standards are followed. As part of the evaluation, we will review completed quality assurance projects to determine how they were selected, staffed, and performed, utilizing the review results as a basis to test the DCAA QA Program. (B. Smolenyak/(703) 604-8761)

**DCAA Audit Coverage at a Major Contractor (00C-P004).** The objective is to analyze the total DCAA audit coverage at a selected major contractor with several business entities. Our analysis would include dollars audited, costs questioned, dollars saved, staff years expended, and identity changes in DCAA coverage that occurred as a result of acquisition reform. We will also address the Administrative and Procurement Contracting Officers satisfaction with the DCAA audit coverage. (B. Smolenyak/(703) 604-8761)

**Oversight Review of the Process Used by the Naval Audit Service for Determining Audit Requirements and Requesting Resources (\*9OA-9009)).** The overall objective will be to assess the process for determining audit requirements and requesting audit resources. We will also determine whether the planning process is responsive to management needs and whether policy or resource constraints impair auditor independence. We will also develop a best practice report based on this review and similar reviews at the Army Audit Agency and Air Force Audit Agency. This project was announced June 9, 1999. (B. Smolenyak/(703) 604-8760)

**Oversight Review of the Process Used by the Air Force Audit Agency for Determining Audit Requirements and Requesting Resources (\*9OA-9021)).** The overall objective will be to assess the process for determining audit requirements and requesting audit resources. We will also determine whether the planning process is responsive to management needs and whether policy or resource constraints impair auditor independence. We will also develop a best practice report based on this review and similar reviews at the Army Audit Agency and Naval Audit Service. This project was announced February 26, 1999. Final report no. 99-6-007 for this project was issued August 20, 1999. (B. Smolenyak/(703) 604-8760)

**Quality Control Review of the Institute for Defense Analysis FY 1998 Office of Management and Budget Circular A-133 Audit (00A-9108).** Our office is the cognizant agency for the Institute for Defense Analyses (IDA), for the fiscal year ended September 25, 1998. The purpose of our review will be to determine if the audit work was performed in accordance with the Office of Management and Budget (OMB) Circular A-133 and applicable auditing standards and regulations. The review will include audit working papers supporting OMB Circular A-133 audit(s) for FY 1998, and support for the continuing professional education completed by individuals who

participated in the FY 1998 audit(s). This project was announced November 3, 1999. (B. Smolenyak/(703) 604-8760)

**Internal Audit Policy Revisions and Guidance (00A-9105).** The objectives are to provide internal and contract audit policy guidance, direction, and coordination on technical matters including Federal and DoD regulations, accounting standards, OMB Circulars, proposed legislation, auditing standards, and audit policy issues. Audit policies currently being revised are DoD Directive 7600.2, "Audit Policies" and DoD Directive 7600.10, "Audits of State and Local Governments, Institutions of Higher Education and Other Nonprofit Organizations." As required by DoD Directive 5100.73, "Major Department of Defense Headquarters Activities", we will provide audit policy direction to the DoD audit organizations on reviewing and reporting on components implementation of the Directive to identify and manage the number and size of major headquarters activities in the DoD. This project was announced October 4, 1999. (B. Smolenyak/(703) 604-8760)

**Contract Audit Division Oversight of Contract Audit Policy (00C-9107)** Section 802 of the National Defense Authorization Act for FY 2000, requires us to assist the Administrator of Federal Procurement Policy in preparing a report to the Congress on various categories of coverage of contracts for applying cost accounting standards. We will also review 50 proposed changes to the acquisition regulations and cost accounting standards under this project. This project includes updating the DoDIG Single Audit Website. This project was announced October 4, 1999. (B. Smolenyak/(703) 604-8760)

**Quality Control Review of the Henry M. Jackson Foundation FY 1998 Office of Management and Budget Circular A-133 Audit (D2000-OA-0169).** Our office is the cognizant agency for the Henry M. Jackson Foundation, for the fiscal year ended September 30, 1998. The purpose of our review will be to determine if the audit work was performed in accordance with the Office of Management and Budget (OMB) Circular A-133 and applicable auditing standards and regulations. The review will include audit working papers supporting OMB Circular A-133 audit(s) for FY 1998, and support for the continuing professional education completed by individuals who participated in the FY 1998 audit(s). This project was announced April 21, 2000. (M. Gordon/(703) 604-8738)

\* indicates audits that were carried over from FY 1999

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## **Appendix A. DoD IG Issue Area Planning & Coordination Groups**

<b>Group</b>	<b>Representative</b>	<b>Telephone</b>
Acquisition Program and Contractor Oversight	Patricia Brannin	(703) 604-9002
Construction and Installation Support	Wayne Million	(703) 604-9312
Environment	Paul Granetto	(703) 604-9201
Finance and Accounting	F. Jay Lane	(703) 604-9101
Health Care	Michael Joseph	(757) 766-9108
Information Technologies Resources	Mary Ugone	(703) 604-9049
Logistics	Tilghman Schraden	(703) 604-9176
Security Assistance and International Issues	Evelyn Klemstine	(703) 604-9172



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## **Appendix B. Plan Distribution**

### **Office of the Secretary of Defense**

Under Secretary of Defense for Acquisition and Technology  
Under Secretary of Defense (Comptroller)/Chief Financial Officer  
Under Secretary of Defense for Personnel and Readiness  
Under Secretary of Defense for Policy  
Assistant Secretary of Defense (Command, Control, Communications & Intelligence)/  
Chief Information Officer  
Assistant Secretary of Defense (Public Affairs)  
Assistant Secretary of Defense (Reserve Affairs)  
Deputy Under Secretary of Defense (Acquisition Reform)  
Director, Acquisition Program Integration  
Director, Defense Procurement  
Director, Program Analysis and Evaluation  
Deputy Comptroller (Program/Budget), Office of the Under Secretary of Defense  
(Comptroller/CFO)  
Deputy CFO, Office of the Under Secretary of Defense (Comptroller/CFO)

### **Department of the Army**

Assistant Secretary of the Army (Financial Management and Comptroller)  
Inspector General, Department of the Army  
Auditor General of the Army  
Inspector General, U.S. Army Materiel Command  
Commander, U. S. Army Criminal Investigative Command

### **Department of the Navy**

Assistant Secretary of the Navy (Financial Management and Comptroller)  
Naval Inspector General  
Marine Corps Inspector General  
Auditor General of the Navy

### **Department of the Air Force**

Assistant Secretary of the Air Force (Financial Management and Comptroller)  
Inspector General of the Air Force

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## **Appendix B. Plan Distribution (Continued)**

### **Department of the Air Force (Continued)**

Auditor General of the Air Force

Air Force Audit Agency/DO

Air Force Audit Agency/FD

Air Force Audit Agency/MS

Air Force Audit Agency/FS

Commander, Air Force Materiel Command

Commander, Air Force Office of Special Investigations

Inspector General, Air Combat Command

Inspector General, Air Education and Training Command

Inspector General, Air Force Materiel Command

Inspector General, Air Force Reserve Command

Inspector General, Air Force Special Operations Command

Inspector General, Air Force Space Command

Inspector General, Air Mobility Command

Inspector General, Air National Guard

Inspector General, Pacific Air Forces

Inspector General, U.S. Air Forces in Europe

### **Other Defense Organizations**

Director, Defense Contract Audit Agency

Director, Defense Commissary Agency

Director, Defense Finance and Accounting Service

Director, Defense Logistics Agency

Inspector General, Defense Information Systems Agency

Inspector General, Defense Intelligence Agency

Inspector General, Defense Threat Reduction Agency

Inspector General, Joint Staff

Inspector General, National Reconnaissance Office

Inspector General, National Security Agency

Inspector General, National Imagery and Mapping Agency